

Draft Substantive Policy Statement #16

Discussion and Possible Action at March 30, 2006 Meeting

16. Timely Reimbursement of Campaign Expenditures by Candidates, Campaign Staff and Volunteers.

The Citizens Clean Elections Commission recommends that expenditures shall be made using campaign checks, debit cards or cash from a petty cash account only by a limited number of campaign staffers, there are certain circumstances where a campaign agent may use personal funds on behalf of the campaign. While this is discouraged (as it is a bookkeeping challenge for the campaign), the Commission understands that circumstances may require it.

1. Candidates and their designated agents may make expenditures on behalf of the campaign not to exceed \$250.00 for statewide campaigns and \$125.00 for legislative candidates. These limits shall not be exceeded per individual or per expenditure. Candidates and their designated agents may make multiple purchases but may not exceed these amounts in aggregate at any given time. Once reimbursement has occurred, and the expenditure reported in the candidate's campaign finance report, candidates and their agents may make additional expenditures up to these limits.

2. Such expenditures shall be reimbursed and reported within 10 business days, within the same reporting period, or whenever original or supplemental reports ("triggering reports") required under 16-958 and 16-941(B)(2) or (D) are required, whichever occurs first. Expenditures not reimbursed within that time frame may be treated as in-kind contributions which may exceed early and personal contribution limits (see A.R.S. §§ 16-941 (A)(1) and A.R.S. 16-941(A)(2)) made outside of the exploratory and qualifying periods (see § A.R.S. 16-945(B)).

3. Expenditures are incurred immediately and not when the bill is received, so it is important for candidates to not incur debt and exceed the sum of the cash on hand and the applicable spending limits when they make or allow their designated agents to make expenditures on their behalf (see R2-20-104(D)(6)).

4. When a candidate or candidate's designated agent makes an expenditure on behalf of the campaign and is reimbursed, the treasurer shall include on the campaign finance report the full name and street address of the person, and the nature of the goods and services for which payment has been made. Treasurers shall keep a copy of the receipt submitted by the individual for reimbursement for their records for 3 years.

5. No expenditure shall be made for or on behalf of the candidate without the advance authorization of the treasurer or his designated agent pursuant to R2-20-111(B)(2).